

Message Text

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ATTENTION DUTY OFFICER

E.O. 11652: N/A

TAGS: PFOR, PN, MX

SUBJECT: SECRETARY'S PHOENIX RESPONSE TO CANAL QUESTION
AND PRESIDENT'S STATEMENT TODAY (APRIL 19)

REF: HAMILTON-LANE TELECON APRIL 19TH

SECRETARY RESPONDED AS FOLLOWS TO QUESTION FOLLOWING SPEECH
BEFORE PHOENIX ROTARY CLUB APRIL 16.

QUOTE:

QUESTION: MR. SECRETARY, SANDRA O'CONNOR SPEAKING. I
RESPECTFULLY ASK WHETHER THE UNITED STATES IS NEGOTIATING
WITH PANAMA CONCERNING THE OWNERSHIP, OPERATION, OR CON-
TROL OF THE PANAMA CANAL. AND IF SO, TO WHAT PURPOSE OR
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GOAL?

SECRETARY KISSINGER: LET ME EXPLAIN THE CONDITION WITH WHICH WE ARE ATTEMPTING TO DEAL IN THE PANAMA NEGOTIATIONS.

THE ISSUE IS NOT BETWEEN US AND THE GOVERNMENT OF PANAMA. THE ISSUE IS WHETHER IT IS POSSIBLE FOR THE UNITED STATES TO ACHIEVE SAFE, NEUTRAL PASSAGE OF ALL SHIPS THROUGH THE PANAMA CANAL UNDER CONDITIONS IN WHICH WE DO NOT HAVE TO FIGHT ALL OF LATIN AMERICA.

NOW, IF NECESSARY, WE WILL DEFEND OUR INTERESTS IN THE PANAMA CANAL AGAINST ALL OF LATIN AMERICA, IF WE MUST, BUT, IN THE MEANTIME, WE WANT TO EXPLORE WHETHER IT IS POSSIBLE TO ACHIEVE ARRANGEMENTS IN WHICH OUR INTERESTS IN THE DEFENSE OF THE CANAL AND IN THE OPERATION OF THE CANAL ARE FULLY SAFEGUARDED BUT IN WHICH, AT THE SAME TIME WE ARE AVOIDING THE POSSIBILITIES THAT ARE INHERENT IN THAT SITUATION, WHERE ALL OF THE LATIN AMERICAN COUNTRIES COULD UNITE AGAINST THE UNITED STATES ON THAT NARROW ISSUE.

I REPEAT: THE UNITED STATES WILL NOT SURRENDER ITS INTERESTS IN THE DEFENSE OF THE CANAL OR ITS INTERESTS IN THE OPERATION OF THE CANAL. ANY AGREEMENT THAT WILL BE NEGOTIATED WILL BE SUBMITTED TO THE CONGRESS. AND, AS WE ARE NEGOTIATING IT, WE ARE BRIEFING THE CONGRESS; AND IF WE DO IT SUFFICIENTLY IN EXECUTIVE SESSIONS, WE CAN BE SURE THAT THE PUBLIC WILL KNOW IT. (LAUGHTER).

SO, ONE HAS TO LOOK AT THE PROBLEM AND ONE SHOULD NOT PLAY LIGHTLY WITH THAT ISSUE BECAUSE IT COULD INVOLVE OUR ENTIRE RELATIONSHIP WITH ALL OF THE LATIN AMERICAN NATIONS. END OF QUOTE.

PRESIDENT FORD MADE THE FOLLOWING POLICY STATEMENT IN AN INTERVIEW WITH NEWSPAPER EDITORS APRIL 19.

QUOTE:

QUESTION: MR. PRESIDENT, GOVERNOR REAGAN IN TEXAS IS SAYING, AND I QUOTE, 'WE SHOULD TELL PANAMA'S TINHORN UNCLASSIFIED

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DICTATOR JUST WHAT HE CAN DO WITH HIS DEMANDS FOR SOVEREIGNTY OVER THE CANAL ZONE AND ITSELF. WE BOUGHT IT, WE PAID FOR IT AND THEY CAN'T HAVE IT.' WHAT IS YOUR RESPONSE TO THIS STATEMENT BY GOVERNOR REAGAN?

THE PRESIDENT: I GATHER FROM THAT STATEMENT THAT GOVERNOR REAGAN WOULD IMMEDIATELY TERMINATE THE NEGOTIATIONS THAT HAVE BEEN GOING ON AND WOULD END THE NEGOTIATIONS WHICH

WERE STARTED BY PRESIDENT JOHNSON IN 1964-65, HAVE BEEN CARRIED ON BY PRESIDENT JOHNSON, PRESIDENT NIXON AND MYSELF. I THINK THAT WOULD BE A POSITION OF IRRESPONSIBILITY.

TO BREAK OFF, TO TERMINATE THOSE NEGOTIATIONS WOULD, IN MY OPINION, VERY LIKELY REVIVE THE KIND OF AN INCIDENT THAT TOOK PLACE IN 1964 WHEN 24 PEOPLE WERE KILLED, 20 PANAMANIAN AND FOUR AMERICANS, IN A VERY BLOODY CONFLICT.

I SAW ON ONE OF THE NETWORKS, I THINK CBS, OVER THE WEEK-END A REPLAY OF SOME OF THE PICTURES THAT WERE TAKEN DOWN THERE AND THAT WAS CERTAINLY NOT A HAPPY INCIDENT IN PANAMANIAN-US RELATIONS.

THE POSITION THAT PRESIDENT JOHNSON TOOK, THAT PRESIDENT NIXON TOOK AND I AM TAKING IS THE RESPONSIBLE POSITION, THAT WE SHOULD CONTINUE TO NEGOTIATE, THOSE NEGOTIATIONS HAVE NOT BEEN CONCLUDED, THEY ARE GOING ON.

BUT IF YOU GO BACK AND LOOK AT THE HISTORY OF THE 1903 TREATY, IT HAS BEEN REVISED AT LEAST FOUR TIMES AND MAYBE FIVE TIMES. IT HAS BEEN REVISED DURING MY PERIOD IN WASHINGTON IN THE MID-1950'S AND IT HAS BEEN REVISED ONCE OR MORE SINCE THEN. THE ORIGINAL ANNUAL RENTAL, IF THAT IS THE RIGHT TERM, WAS \$250,000 A YEAR. IT HAS BEEN INCREASED ON SEVERAL OCCASIONS SINCE THEN SO THAT THE UNITED STATES IS NOW PAYING \$2 MILLION 500 THOUSAND A YEAR SO THAT ORIGINAL TREATY IS QUITE DIFFERENT FROM THE TREATY THAT WAS INITIALLY SIGNED.

NOW TO TERMINATE THOSE NEGOTIATIONS NOW WOULD BE ABSOLUTELY IRRESPONSIBLE AND WOULD VERY LIKELY HAVE THE UNCLASSIFIED

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IMPACT OF ONE OR MORE ADDITIONAL INCIDENTS SUCH AS THOSE THAT OCCURRED IN 1964 AND PROBABLY MORE BLOODY AND WOULD, IN ADDITION CREATE THE DISTINCT POSSIBILITY THAT THE CURRENT UTILIZATION OF THAT CANAL WOULD BE ADVERSELY AFFECTED AND, THIRDLY, WOULD PUT AGAINST THE UNITED STATES EVERY LATIN AMERICAN COUNTRY, SOME 25, AS I RECALL, AND 309 MILLION LATIN AMERICANS. THAT IS THE TOTAL POPULATION.

NOW I THINK IT IS RESPONSIBLE TO CONTINUE THOSE NEGOTIATIONS AND I THINK ANY STATEMENTS THAT WOULD, IN

EFFECT SAY WE ARE GOING TO TERMINATE THEM IS AN IRRESPONSIBLE STATEMENT.

NOW WHAT ARE WE TRYING TO DO? THAT IS THE IMPORTANT

THING. LET'S TALK AFFIRMATIVELY. WE ARE INTERESTED IN THE CONTROL OR OPERATION AND MAINTENANCE OF THAT CANAL. WE ARE INTERESTED AND ARE GOING TO INSIST UPON THE RIGHT TO DEFEND THAT CANAL- WE ARE NEGOTIATING AS TO THE LENGTH OF THE TERM OF THAT TREATY AND WE ARE GOING TO INSIST ON THE RIGHT TO OPERATE, TO MAINTAIN AND TO DEFEND THAT CANAL DURING THE TERM OF THAT TREATY DURING THE ECONOMIC USABILITY OF THAT CANAL. WE ARE GOING TO KEEP ON THE PATH THAT I THINK IS RESPONSIBLE.

THERE HAVE BEEN NO DECISIONS MADE BUT THE OTHER COURSE OF ACTION, TO TAKE OUR NEGOTIATORS AWAY AND JUST SAY WE ARE GOING TO NOT NEGOTIATE, IN MY OPINION, WOULD JEOPARDIZE THE UTILIZATION OF THE CANAL, WOULD UNDOUBTEDLY LEAD TO ANOTHER ONE OR MORE INCIDENTS VERY MUCH MORE BLOODY THAN THE ONE THAT HAPPENED IN 1964 AND WOULD TURN MOST OF LATIN AMERICA, IF NOT ALL OF LATIN AMERICA, AGAINST THE UNITED STATES.

NOW THOSE ARE THE CONSEQUENCES OF TERMINATING THE NEGOTIATIONS AND I AM AGAINST THAT. I THINK WE OUGHT TO NEGOTIATE. END QUOTE.

ROBINSON

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